

1 MCGILL: Hel, hello?
2 REAGAN: Hey.
3 MCGILL: Hey, what's happening?
4 REAGAN: Coughing... Trying to get ready for 'ole
5 BILL, here.
6 MCGILL: Well, let me just give you, I was, I was
7 gonna leave these sheets up at the office, but I can
8 tell you what, what the deal is. Ahem, the, on their
9 application that they sent to the State?
10 REAGAN: Okay. Hold on just a second. Hmmm. Alright.
11 MCGILL: Ahem, it says deferred developer fees, the
12 applicant proposed de, deferred developer fees of, I'm
13 just gonna round it off and say 1.4.
14 REAGAN: Okay.
15 MCGILL: And that was 52% of the fees.
16 REAGAN: Cleared throat
17 MCGILL: Well, 52% of, ahh, the developer's fee.
18 REAGAN: 1.4 is?
19 MCGILL: Uh-huh.
20 REAGAN: Is 52%?
21 MCGILL: Right. Now,...
22 REAGAN: So, that's, that's the portion that they're
23 deferring?
24 MCGILL: Right.
25 REAGAN: Okay.

1 MCGILL: So, they're keeping the other part. Now, on
2 the budget that you gave to me?
3 REAGAN: So, who's keeping the other part?
4 MCGILL: They are.
5 REAGAN: Okay, so they...
6 MCGILL: They only defer, in other words they're
7 deferring about half of it.
8 REAGAN: Okay. But, that's what I'm saying. The,
9 the total fee is, what, 2 point...
10 MCGILL: 7.
11 REAGAN: 7?
12 MCGILL: Mm-hmmm.
13 REAGAN: And they're deferring only 1.4, so they've
14 already got 1.4 of it.
15 MCGILL: They, they should have gotten it at closing.
16 REAGAN: Mm-hmmm.
17 MCGILL: Okay, now the budget that you gave to me,
18 the big one?
19 REAGAN: Yeah.
20 MCGILL: On that budget, it says deferred developer
21 fee 1.2, or 45%. So, it's either 1.4 or it's 1.2.
22 REAGAN: Yeah. But, anyway they.....
23 MCGILL:got all of it.
24 REAGAN: Yeah, all of it. Okay, good shot.
25 MCGILL: LAUGHING... Okay. And the only other thing

1 that I saw...

2 REAGAN: Mm-hmmm.

3 MCGILL: Is that under soft costs, on the budget that

4 you gave me,....

5 REAGAN: Mm-hmmm.

6 MCGILL: Ahh, we just should have control of all of

7 that, because in, in, in the, in the deal ought to be any

8 savings there, we oughta get at least half of it, if

9 not all of it. You know, because that's where you can

10 really squeeze out something, when you can get these

11 guys to come in under the budget that they proposed on

12 here. And there's a lot of soft costs on here.

13 REAGAN: Gotcha'. Gotcha'.

14 MCGILL: So, so, that, that, that's the area. But, it's

15 either it's one four, or one two, and that means that,

16 that half of it they took down at closing.

17 REAGAN: They should...

18 MCGILL: According to the, to the budget that you

19 gave me, I think it's the one you gave me. They took,

20 they took out about, ahh, I think it was 13 plus 4,

21 they, they took out about 17, 17 million.

22 REAGAN: So, how much did you estimate that, that,

23 ahh, soft costs total was at, AL?

24 MCGILL: Ahh, I, let's see.

25 REAGAN: Because that was some, ahh, that was some

1 ahh, ahh, that was some ahh, some monies for, for
2 contingencies.

3 MCGILL: Yeah, now, I didn't include, I didn't
4 include the reserves in this. Okay, they got, they
5 got ahh, at least a half million dollars, or maybe
6 more, maybe, ahh, close, well, I think it's about a
7 million dollars in re-, various kind of reserves.

8 REAGAN: Mm-hmmm.

9 MCGILL: So, obviously, if they don't need to use
10 that, then ahh, that falls to them too. But this,
11 this soft cost is stuff like architects, and
12 accounting, and marketing and...

13 REAGAN: Coughing Yeah.

14 MCGILL: ...more, more marketing and all of that, so,
15 you know, the, the deal ought to be...

16 REAGAN: Cleared throat

17 MCGILL: ...if you managing the project, and if you
18 can bring this in under, under budget then, that money
19 shouldn't just automatically fall, the difference
20 shouldn't just fall to them.

21 REAGAN: Yeah. I gotcha'.

22 MCGILL: Okay. So, that's, that's really taking, you
23 know, trying to take control of some of this stuff
24 here, and, and ahh, squeeze it as best you can.

25 PAUSE

1 MCGILL: But at close, they should have gotten all of
2 the construction fees, which was about 11 or 12, I
3 think, million. And then they should have gotten
4 their, the non-deferred part of the development fee
5 and some other money. I mean, they should have walked
6 out with a tidy sum.

7 REAGAN: Gotcha'. Well.

8 MCGILL: Mm-hmm.

9 REAGAN: Well, I'll call you when I'm en route there,
10 so if anything else jump out at you.

11 MCGILL: Okay.

12 REAGAN: Alright.

13 MCGILL: Bye, bye.

14 END OF RECORDING

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Target:	Darren Reagan
Line:	214-207-0848
Session:	380
Date:	02/11/2005
Start Time:	10:44:41 CST
Duration:	00:05:10
Direction:	Incoming

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